

## Message Text

LIMITED OFFICIAL USE

PAGE 01 KATHMA 01081 011146Z  
ACTION EB-08

INFO OCT-01 NEA-10 ISO-00 CAB-02 CIAE-00 COME-00  
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 PA-01  
USIA-06 SP-02 NSC-05 SS-15 /063 W  
-----073546 011913Z /70

R 011022Z MAR 78  
FM AMEMBASSY KATHMANDU  
TO SECSTATE WASHDC 1223  
INFO AMEMBASSY NEW DELHI  
AMEMBASSY ROME

LIMITED OFFICIAL USE KATHMANDU 1081

ROME FOR RCA

E.O. 11652: N/A  
TAGS: EAIR, NP  
SUBJECT: ROYAL NEPAL AIRLINES LOOK TO US FOR SECOND JET

REF: 77 KATHMANDU 5281

1. ON AGAIN, OFF AGAIN QUEST BY ROYAL NEPAL AIRLINES CORPORA-  
TION (RNAC) FOR SECOND JET TO ADD TO FLEET HAS TAKEN SEVERAL  
TWISTS IN LAST THREE MONTHS AND NOW APPEARS HEADED FOR POSSIBLE  
SOLUTION IN U.S. DEAL, WHICH HAS BEEN COOKING FOR LAST TEN  
MONTHS, TO BUY BOEING 727 FROM ARIANA AFGHAN AIRLINE AND WHICH,  
AS REPORTED REFTTEL, APPEARED NEARING SUCCESSFUL CONCLUSION IN  
DECEMBER, IS NOW APPARENTLY COMPLETELY DEAD. REASONS ANYTHING BUT  
CLEAR, BUT ARE ATTRIBUTED HERE TO VARIOUS PROBLEMS WITHIN  
AFGHAN AIRLINE.

2. EARLY IN YEAR RNAC OFFICIALS WERE VERY DEPRESSED WHEN  
ASKED ABOUT ALTERNATE POSSIBILITIES, BUT ON FEB. 22 BOTH  
AMBASSADOR AND EMBOFF WERE TOLD BY DIFFERENT RNAC OFFICIALS THAT  
PROSPECTS LOOKED VERY GOOD FOR ACQUIRING SECOND BOEING 727  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KATHMA 01081 011146Z

SECOND HAND IN US. SPECIFIC OFFER MENTIONED BY ONE OFFICIAL--  
THIS FROM UNITED AIRLINES--WAS TYPE OF PLANE DESIRED AND FOR  
RIGHT PRICE (AROUND \$5 MILLION). THERE WAS SOME QUESTION ABOUT  
UPGRADING ENGINES, BUT HE DID NOT SEE THIS AS SERIOUS PROBLEM.  
AIRLINES GENERAL MANAGER D.B. RANA TOLD AMBASSADOR THAT TEAM  
WOULD BE GOING TO STATES TO LOOK INTO AND HOPEFULLY CLOSE DEAL.  
FEB. 28 RANA CONFIRMED TO EMBOFF THAT TEAM HEADED BY RNAC CHAIR-

MAN, NARAYAN PRASAD ARYAL (ALSO SECRETARY, MINISTRY OF WORKS AND TRANSPORTATION), AND INCLUDING RANA AND 2 OR 3 TECHNICAL TYPES WOULD BE ARRIVING IN US MARCH 8 OR 9. MOREOVER, RANA STATES RNAC HAS NUMBER OF OFFERS AND DELEGATION WOULD BE TRAVELLING AMONG OTHER PLACES TO CHICAGO, DALLAS AND LOS ANGELES TO DISCUSS DETAILS AND EXAMINE AIRCRAFT. EMBOFF TOLD RANA EMBASSY WOULD ALERT DEPT AND THAT IF ANY ASSISTANCE DESIRED DURING COURSE OF TRIP, RANA NEED ONLY ASK.

3. COMMENT: RNAC'S SEARCH FOR SECOND JET HAS BEEN GOING ON SO LONG THAT ONE HESITATES TO PREDICT CONCLUSION MIGHT BE IN SIGHT. THERE HAS EVEN BEEN EARLIER CONSIDERATION OF PURCHASE IN US (77 KATHMANDU 452). BUT AIRLINE IS UNDER INCREASING PRES-SURE FINALLY TO RESOLVE ISSUE. IT IS ON ONE HAND FACING SERIOUS SCHEDULING PROBLEMS IN MEETING CURRENT FLIGHT PROGRAM WITH BUT ONE JET. CANCELLATIONS ARE CREATING BAD IMAGE AND MAY, WE UNDERSTAND, EVEN HAVE RESULTED IN SOME SUITS FILED BY TRAVEL AGENCIES. PERHAPS MORE IMPORTANT, CURRENT 727 IS DUE FOR MAJOR SERVICING (D CHECK) THIS SUMMER WHICH WILL TAKE IT OUT OF ACTION FOR UPWARDS OF 45 DAYS. UNLESS RNAC CAN COMPLETE PURCHASE OF SECOND JET BEFORE THAT TIME IT WILL BE FACED BY SERIES OF UNPALATABLE CHOICES. IN SHORT, WE BELIEVE THIS FORTHCOMING TRIP MAY PRODUCE DECISION. WHILE AIRLINE HAS TO DATE PURSUED MATTER ENTIRELY ON ITS OWN (DESPITE OUR OFFERS TO HELP) AND WILL PROBABLY CONTINUE DO SO, IT OBVIOUSLY IN OUR INTERESTS TO GIVE ALL POSSIBLE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 KATHMA 01081 011146Z

ASSISTANCE IF ASKED.  
HECK

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PROCUREMENT, COMMERCIAL AIRCRAFT, AIRLINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978KATHMA01081  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780094-0219  
**Format:** TEL  
**From:** KATHMANDU  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t197803120/aaaadyfi.tel  
**Line Count:** 96  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ddcad1ba-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 KATHMANDU 5281  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3159438  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ROYAL NEPAL AIRLINES LOOK TO US FOR SECOND JET  
**TAGS:** EAIR, NP, ROYAL NEPAL AIRLINES  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/ddcad1ba-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014